



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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September 2, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**REQUEST TO ACCEPT COMPROMISE OFFER OF SETTLEMENT
(ALL DISTRICTS AFFECTED - 3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Director of Health Services or his designee to accept the attached compromise offer of settlement, pursuant to Section 1473 of the Health and Safety Code, for the following individual account for a patient who received medical care at a County facility:

(1) Account Number 5932302 \$1,004,205

PURPOSE OF THE RECOMMENDED ACTION:

The compromise offer of settlement for patient account (1) is recommended because the amount is the highest amount that could be negotiated with the patient's insurance (Commercial or HMO) under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patient, except for possible beneficiary coinsurance or deductible obligations.

JUSTIFICATION:

The best interests of the County would be served by the approval of this compromise since it will enable DHS to maximize net revenue on this account.

FISCAL IMPACT:

This will expedite the County's recovery of partial payment totaling approximately \$1,004,205.

FINANCING:

Not applicable.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On January 8, 2002 the Board approved an ordinance granting the Director of Health Services (Director) authority to reduce patient account liabilities when in the best interest of the County. The ordinance was adopted by the Board on January 15, 2002.

Under County Code Chapter Section 2.76.046, the Director has the authority to reduce patient account liabilities by the greater of i) \$15,000, or ii) \$75,000 or 50% of the account balance, whichever is less. Any reduction exceeding the Director's authority requires Board approval.

The compromise of this account is not within the Director's authority, so the Director is requesting Board approval of this compromise.

CONTRACTING PROCESS:

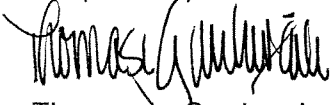
Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Maximizing net revenues on these accounts will help DHS to meet its budgeted revenue amounts.

When approved, DHS requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

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Attachments

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES

TRANSMITTAL No. 1
DATE: September 2, 2004

Total Charges	\$1,256,506	Account Number	5932302
Amount Paid ⁽¹⁾	\$1,000	Service Type	Inpatient
Balance Due	\$1,255,506	Date of Service	01/03/04 – 04/07/04
Compromise Amount Offered	\$1,004,205	% Of Charges	80%
Amount to be Written Off	\$251,301	Facility	H/UCLA Medical Center

JUSTIFICATION

The above compromise offer of settlement is the highest amount that could be negotiated with the patient's insurance (Commercial or HMO) under the circumstances of the case.

Note:

(1) This is the patient's co-pay amount; actual payment of this amount is still pending.